

## Message Text

LIMITED OFFICIAL USE

PAGE 01 HELSIN 00202 01 OF 02 011137Z

21/11

ACTION EB-07

INFO OCT-01 EUR-12 ISO-00 OC-05 CCO-00 CIAE-00 OTPE-00

FCC-01 INR-07 NSAE-00 RSC-01 COME-00 BIB-01 ACDA-05

DODE-00 PM-03 L-02 NASA-01 NSC-05 OES-03 /054 W

----- 125653

P R 010845Z FEB 75

FM AMEMBASSY HELSINKI

TO SECSTATE WASHDC PRIORITY 8248

INFO AMEMBASSY STOCKHOLM

AMEMBASSY MOCOW

LIMITED OFFICIAL USE SECTION 1 OF 2 HELSINKI 202

C O R R E C T E D C O P Y FOR CLASSIFICATION

MOSCOW PLEASE HOLD FOR DEPUTY ASSISTANT SEC. WALDMANN

DEPARTMENT PLEASE PASS OTP, FCC, COAST GUARD MARAD  
AND NASA

E.O. 11652: N/A

TAGS: ETEL, TSPA, XG, SW

SUBJECT: MARITIME SATELLITE SYSTEMS

1. MARITIME SATELLITE SYSTEM TEAM TALKS WITH SWEDES  
WERE HELD IN EXTREMELY FRIENDLY AND COOPERATIVE  
ATMOSPHERE. SWEDISH DELEGATION OPENED UP WITH  
STATEMENT OF GOS CONCERNS THAT INCLUDED,

A. SATELLITE SYSTEM MUST REFLECT OPERATIONAL/  
USER REQUIREMENTS;

B. DESIRE FOR FURTHER ANALYSIS OF THE BASIC  
TRAFFIC ASSUMPTIONS IN POE;

C. ANALYSIS OF COST BENEFITS FROM VIEW OF  
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 HELSIN 00202 01 OF 02 011137Z

VARIOUS GOS INVESTMENT LEVELS;

D. QUALITATIVE ASSESSMENT FROM SWEDISH  
VIEWPOINT OF SYSTEM'S OPERATIONAL, SAFETY AND SOCIAL  
ASPECTS;

E. STUDY OF SYSTEM'S POSSIBLE IMPACT ON  
SWEDISH INDUSTRY REGARDING DEVELOPMENT AND PRODUC-  
TION OF EQUIPMENT, SPECIFICALLY SHIP TERMINALS;

F. ANALYSIS OF POE DRAFT CONVENTION TO MAKE  
IT ACCEPTABLE IN RESPECT TO,

(1) PROCUREMENT POLICY;

(2) BASIS FOR INVESTMENT SHARES (FOR EXAMPLE  
PROBLEM OF FLAGS OF CONVENIENCE);

(3) ORGANIZATION'S STRUCTURE; I.E., DISTRIBUTION  
OF FUNCTIONS;

(4) NON-DISCRIMINATION.

2. IN RESPONSE TO US INTRODUCTORY STATEMENT GOS  
REPLIED THAT IT HAD NO RESERVATIONS REGARDING US  
ROLE IN POE. GOS SHARES US VIEW THAT SYSTEM MUST  
BE EFFECTIVE, LOW-COST AND REPRESENT USER; GOS  
SUPPORTS CAREFULLY FOLLOWING MARISAT/MAROTS  
COOPERATION, BUT HAS FEELING THAT SUBJECT MUST BE  
TREATED WITH EXTREME CAUTION AT LONDON CONFERENCE;  
GOS FEELS THAT IT IS ESSENTIAL THAT INMARSAT BE A  
GLOBAL SYSTEM, AND THAT US PARTICIPATION IS OF  
GREAT IMPORTANCE. AT LUNCH SWEDISH DELEGATE  
REMARKED THAT IN REGARD TO OTHER NATIONS' ATTITUDE  
TOWARD US POE ROLE, MANY GOVERNMENTS FELT GOS  
ITSELF WAS NOT PARTICULARLY COOPERATIVE IN THAT  
FORUM. HE ALSO INDICATED THAT HIS GOVERNMENT HAS  
RESERVATIONS REGARDING POE ECONOMIC STUDIES.

3. IN RESPONSE TO US PRESENTATION ON TWO-AGREEMENT  
ARRANGEMENT GOS RESPONDED THAT IT POSES NO  
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 HELSIN 00202 01 OF 02 011137Z

SERIOUS PROBLEM FOR THEM, AND THAT THEY WOULD BE  
ABLE TO "LIVE WITH" SUCH AN ARRANGEMENT. USG  
GUARANTEE OF FINANCIAL RESPONSIBILITY WAS NOT  
NECESSARY, BUT WHEN SWEDES RAISED QUESTION WHETHER  
US LEGISLATION MIGHT POSSIBLY AUTHORIZE SUCH US  
FINANCIAL GUARANTEE, THEY WERE DISCOURAGED BY US  
TEAM REPORT THAT PROSPECTS OF THAT WERE NOT AT ALL  
LIKELY.

4. SWEDES DEVOTED CONSIDERABLE TIME TO QUESTION WHAT "LEASING" MEANT, WITH PARTICULAR CONCERN FOR WHETHER THE DRAFT CONVENTION, HOWEVER STRUCTURED, WOULD STILL BE MEANINGFUL IF SPACE SEGMENT WERE LEASED. THEY WERE ALSO CONCERNED ABOUT LIABILITY RESPONSIBILITIES OF ORGANIZATION UNDER LEASING OR OWNING ARRANGEMENT. THERE WAS CONSIDERABLE DISCUSSION ON THIS SUBJECT WITH AGREEMENT ON BOTH SIDES THAT LONDON CONFERENCE SHOULD GIVE CAREFUL AND DETAILED ATTENTION TO STATUS OF ORGANIZATION'S LIABILITY UNDER VARIOUS PERMUTATIONS OF OWNING OR LEASING, MANAGING, ETC.

5. SWEDES RAISED MATTER OF PROCUREMENT AND ASKED WHETHER US POSITION AS PRESENTED IN ALTERNATIVE B OF POE DRAFT PROCUREMENT ARTICLE WAS INFLEXIBLE. SWEDES SPECIFICALLY ASKED WHETHER US WOULD ACCEPT COMPROMISE POSITION ALONG LINES OF INTELAT LANGUAGE. US RESPONDED THAT WE FELT STRONGLY ABOUT NEED TO KEEP SYSTEM'S COSTS AS LOW AS POSSIBLE, AND BELIEVED US LANGUAGE MOST ADEQUATELY INSURED THAT OBJECTIVE. NONETHELESS WE EXPECTED TO BE RESPONSIVE AND TO A DEGREE FLEXIBLE AT THE LONDON CONFERENCE AND WOULD BE WILLING TO DISCUSS FURTHER SWEDISH SUGGESTION. ONE SWEDISH DELEGATE, WHO ALSO REPRESENTS NORWEGIAN COUNTRIES ON INTELAT BOARD OF GOVERNORS, DID MAKE SOME FORCEFUL REMARKS ABOUT ALLEGED OPEN INTELAT POLICY THAT HAS LED TO STEADY INCREASE IN COSTS IN SUCCESSIVE PURCHASES OF HUGHES AIRCRAFT SATELLITES.

LIMITED OFFICIAL USE

NNN

CONFIDENTIAL

PAGE 01 HELSIN 00202 02 OF 02 010933Z

11

ACTION EB-07

INFO OCT-01 EUR-12 ISO-00 OC-05 CCO-00 CIAE-00 OTPE-00

FCC-01 INR-07 NSAE-00 RSC-01 COME-00 BIB-01 ACDA-05

DODE-00 PM-03 L-02 NASA-01 NSC-05 OES-03 /054 W

----- 124777

P R 010845Z FEB 75

FM AMEMBASSY HELSINKI

TO SECSTATE WASHDC PRIORITY 8249  
INFO AMEMBASSY STOCKHOLM  
AMEMBASSY MOSCOW

C O N F I D E N T I A L SECTION 2 OF 2 HELSINKI 202

6. IN REGARD TO ACCESS BY SHIPS OF ALL NATIONS  
SWEDES INDICATED NO DIFFERENCE WITH US POSITION,  
BUT WERE VERY MUCH INTERESTED IN QUESTION OF  
DIFFERENTIAL IN CHARGES TO SYSTEM MEMBERS AND  
NON-MEMBERS. THEY RECOGNIZE CHARGE DIFFERENTIAL  
ENCOURAGES NUMBER OF INVESTORS BUT COULD DISCOURAGE  
TOTAL NUMBER OF SHIP USERS, AND THEREFORE THAT  
QUESTION OF CHARGES IS COMPLEX ONE. FINNISH  
DELEGATE SUGGESTED THAT WHILE INITIALLY IT MAY  
BE SHOCKING CONCEPT, ORGANIZATION MIGHT CONSIDER  
HIGH USER CHARGES FOR MEMBERS AND NON-MEMBERS  
ALIKE, WITH ADVANTAGE COMING TO MEMBERS THROUGH  
RETURN ON INVESTMENT.

7. SWEDES DIRECTED ATTENTION TO ARTICLE 10 IN US  
INTER-GOVERNMENTAL DRAFT AGREEMENT REGARDING BROAD  
POLICY RECOMMENDATIONS GRANTED TO ASSEMBLY, AND  
RAISED QUESTION AS TO WHO UNDER US DRAFT WOULD  
HAVE REAL POWER FOR ADOPTION OF BROAD POLICIES;  
WHETHER ASSEMBLY OR COUNCIL. THEY REMINDED  
US TEAM THAT THIS HAD BEEN MATTER OF SOME STATED  
CONCERN BY GOS IN POE MEETINGS; ESSENTIALLY IT  
BEING THE PREROGATIVE OF RESERVING TO SOVEREIGN  
STATES BROAD POLICY RESPONSIBILITIES. IN THIS  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 HELSIN 00202 02 OF 02 010933Z

REGARD US TEAM PROMISED TO BRING GOS  
VIEWS TO ATTENTION OF OUR INDUSTRY AND GOVERNMENT  
COLLEAGUES IN US.

8. IN REGARD TO POSSIBLE INTERIM ARRANGEMENTS  
FOLLOWING LONDON CONFERENCE SWEDES AGREE THAT IT  
IS DESIRABLE THAT CONFERENCE BE GIVEN MANDATE  
TO ASSIGN TASKS FOR INTERIM PERIOD PRIOR TO SECOND  
CONFERENCE, AND THAT THIS COULD WELL INCLUDE STUDY  
OF MARISAT/MAROTS EXPERIENCE, ALTHOUGH HERE SWEDES  
ONCE AGAIN REITERATED NEED FOR CAREFUL HANDLING OF  
INTRODUCTION OF THIS SUBJECT.

9. IN REGARD TO US PRESENTATION ON IMPORTANCE OF  
USER REPRESENTATION IN INMARSAT, ALTHOUGH IN  
ADVISORY CAPACITY, SWEDES' INITIAL POSITION FOLLOWED  
THAT SUGGESTED BY NORWEGIANS; VIZ. NATIONAL REP-  
RESENTATIVES ON COUNCIL WOULD REPRESENT VIEWS OF

NATIONAL USERS. HOWEVER, RESPONDING FURTHER TO US SUGGESTION THAT SOME MECHANISM BE ESTABLISHED TO INSURE ADVISORY INPUT OF INTERNATIONAL SHIPPING COMMUNITY GOS INDICATED THAT IT WOULD BE FLEXIBLE AT LONDON AND RESPONSIVE TO ALL REASONABLE SUGGESTIONS.

10. GOS INDICATED THAT WHILE ITS SHIP OWNERS HAVE DEFINITE INTEREST IN SATELLITE SYSTEM AND POSITIVELY RESPOND TO CONCEPT, GOS HAS UNDERTAKEN NO COMPREHENSIVE SURVEY THAT MEASURES OR IDENTIFIES EXTENT OF INTEREST. DELEGATION CHIEF MADE FLAT STATEMENT THAT GOS POLICY IS NOT REPEAT NOT TO SUBSIDIZE SHIP OWNERS, IMPLYING THAT THERE WAS NO INTENTION, FOR EXAMPLE, TO SUBSIDIZE COST OF SHIP TERMINALS. DELEGATION WAS NOT SO UNEQUIVOCAL, HOWEVER, IN WHAT GOS POSITION MIGHT BE IN REGARD TO HANDLING OF UTILIZATION CHARGES, POINTING OUT THEIR PARTICULAR CONCERN WITH MEETING SWEDISH CREW MEMBERS' DESIRE TO TALK FREQUENTLY BY TELEPHONE TO HOME. PRESSURE FOR INCREASED SERVICE IN THIS REGARD ALLEGEDLY IS INCREASING. SWEDISH TELECOMMUNICATION ADMINISTRATION INDICATED INTENTION TO LEASE AND NOT SELL SHIP TERMINALS. CONFIDENTIAL

CONFIDENTIAL

PAGE 03 HELSIN 00202 02 OF 02 010933Z

THERE APPEARED TO BE POSSIBILITY THAT LAND EARTH STATION MAY OFFER LOWER CHARGE TO CUSTOMER, AND MAKE UP DIFFERENTIAL ON RETURN FROM SYSTEM INVESTMENT.

11. GOS HAD NO SPECIFIC INFORMATION ON COUNTRIES THAT MIGHT ATTEND OTHER THAN EXPECTING THREE OR FOUR REPRESENTATIVES FROM SOCIALIST BLOC, AND SOME FROM LDCS. IT HAS NO INDICATIONS REGARDING ANY SPECIFIC POLITICAL ISSUES, BUT BELIEVES IN VIEW OF LDC PRESENCE SOME POLITICAL PROBLEMS CAN BE EXPECTED TO ARISE.

12. SWEDES SUPPORT IDEA OF SATELLITE SYSTEM BEING AVAILABLE FOR USE BY ALL SHIPS IN PORT AND TERRITORIAL WATERS; BUT REMINDED US TEAM THAT THEY WERE INITIATORS OF PROPOSAL AT MARITIME RADIO CONFERENCE ALONG SIMILAR LINES AND HAD NOT BEEN SUCCESSFUL.

13. GOS SUPPORTS INCORPORATION OF NAVIGATION AND SAFETY CAPABILITIES IN SATELLITE SYSTEM, BUT LOOK UPON SUCH CAPABILITIES AS A LONGER-TERM PROVISION. THEY DO STRESS THE UTMOST IMPORTANCE IN THE LONG RUN OF SYSTEM'S PROVIDING ALL FACILITIES INCLUDING NAVIGATION AND SAFETY SO THAT SATELLITE SYSTEM MAY REPLACE EQUIPMENT REQUIRED UNDER SOLAS CONVENTION.

KREHBIEL

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** MEETINGS, COMMUNICATION SATELLITES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 01 FEB 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** MorefiRH  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975HELSIN00202  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750038-0003  
**From:** HELSINKI  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19750281/aaaacupg.tel  
**Line Count:** 278  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 6  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** MorefiRH  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 12 MAY 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <12 MAY 2003 by ElyME>; APPROVED <15 MAY 2003 by MorefiRH>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
05 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** MARITIME SATELLITE SYSTEMS  
**TAGS:** ETEL, TSPA, XG, SW  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006